

# STATE OF INDIANA

DEPARTMENT OF LOCAL GOVERNMENT FINANCE



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## MEMORANDUM

To: County Assessors, County Auditors, and County Treasurers

From: Department of Local Government Finance

Subject: Assessment of mobile homes/manufactured homes

Date: January 9, 2008

1. To assist in the assessment of mobile homes/manufactured homes, the Department of Local Government Finance ("Department") provides the following information and guidance. Please distribute this information to the township assessors and other interested parties in your county.

2. Joint Liability for Taxes.

a. Pursuant to I.C. § 6-1.1-2-4(b), an owner on the assessment date of a year that has an improvement or appurtenance (i.e. an addition to the property that becomes a part of the property) that is:

- (1) assessed as real property; and
- (2) owned, held, possessed, controlled, or occupied on the assessment date of a year by a person other than the owner of the land, is **jointly liable for the taxes** imposed for the year with the person holding, possessing, controlling, or occupying the improvement or appurtenance on the assessment date.

b. I.C. § 6-1.1-2-4(c) provides that an improvement or appurtenance to land that, on the assessment date, is held, possessed, controlled, or occupied by a person different than the owner of the land may be listed and assessed separately from the land *only* if the improvement or appurtenance is held, possessed, controlled, or occupied under a memorandum of lease or other contract that is recorded with the county recorder *before* January 1, 1998.

3. Real Property Mobile Home/Manufactured Home Assessments. To provide uniformity in the assessment of mobile homes, the Department directs you to assess all mobile homes/manufactured homes that are permanently attached to a foundation *or* is a mobile home/manufactured home where the owner has surrendered the certificate of title under I.C. § 9-17-6-15.1, as **real property**. Use Schedule A of the Department's Real Property Guidelines in assessing these properties as real property. A "permanent foundation" means any structural system capable of transposing loads from a structure to the earth at a depth below the established frost line.

4. Annually Assessed Mobile Homes/Manufactured Homes. All other mobile homes/manufactured homes, even those with real property improvements or appurtenances, should be *annually assessed* using a national publication (National Automobile Dealers' Association), sale, or sales comparison approach. Other additions to the property shall be assessed using the Department's Real Property Assessment Guidelines.
5. Two Tax Bills in 2008. Some mobile home/manufactured home owners may receive two tax bills in 2008. The reason is if their mobile home/manufactured home was previously assessed as real property on March 1, 2007, the home may now be assessed on January 15, 2008 as annually assessed property under the recently promulgated administrative rule change.
6. Homestead Credit. Pursuant to I.C. § 6-1.1-20.9-1, an annually assessed mobile home and its residential real property improvements are eligible for the homestead credit as long as the mobile home is the person's principal place of residence and is owned or being purchased on contract recorded in the county recorder's office. The dwelling and real estate eligible for the homestead credit cannot exceed one (1) acre immediately surrounding the dwelling. A taxpayer is entitled to only one homestead credit.
7. **This information is effective January 15, 2008 for annually assessed mobile homes/manufactured homes, and March 1, 2008 for real property mobile homes/manufactured homes.** If you have any questions, comments, or concerns, please contact your Assessment Division Field Representative. If you do not know who your Field Representative is, please call (317) 232-3773.